

CHAPTER I

PURPOSE AND NEED FOR THE PROPOSED ACTION

I PURPOSE AND NEED FOR THE PROPOSED ACTION

I.A. INTRODUCTION

This draft Environmental Impact Statement (EIS) describes the environmental effects of proposed modifications to previous Central Arizona Project (CAP) water allocation decisions and associated long-term contract execution. The draft EIS has been prepared in compliance with the requirements of the National Environmental Policy Act (NEPA) and the Council on Environmental Quality (CEQ) regulations for implementing NEPA (40 Code of Federal Regulations [CFR] 1500-1508), which require the evaluation of potential environmental impacts resulting from Federal actions.

Four alternative proposals for modifying previous CAP water allocation decisions are described herein. Each action alternative proposes a different allocation of CAP water. The draft EIS describes the anticipated impacts resulting from the allocation of CAP water for each of the identified action alternatives. A No Action Alternative is also identified which describes the impacts that result from taking no Federal action.

In order to better understand the currently proposed modifications, an overview is provided below regarding the history of the CAP. This overview includes a brief explanation of how CAP water allocations and water delivery contracts were originally made and executed, and additional CAP water transfers that have occurred in subsequent years up to the present.

I.B. BACKGROUND

I.B.1. Overview of the CAP

The rights to use Colorado River water are shared by seven Colorado River basin states and Mexico, through a multitude of water rights legislation and court decisions, international treaty and administrative decisions known as the "Law of the River." The Colorado River basin is divided into the Upper Basin, which has an entitlement to 7.5 million acre-feet¹ annually (mafa), and the Lower Basin, which is entitled to 7.5 mafa. The dividing line between the basins is located at Lee's Ferry on the Colorado River, about 18 miles downstream of Glen Canyon Dam. By treaty, Mexico is also entitled to 1.5 mafa². The Secretary of the Interior (Secretary or SOI), through the Bureau of Reclamation (Reclamation), operates facilities on the river and is responsible for administering a complex system of water deliveries.

The Boulder Canyon Project Act of 1928 (Public Law [PL] 70-642) allotted Arizona 2.8 mafa out of the 7.5 mafa of Colorado River water allotted to the Lower Basin³. The Supreme Court confirmed this entitlement in 1963 (*Arizona v. California*). The Colorado River Basin Project Act of 1968 (PL 90-537) (CRBPA) authorized the Secretary to build, operate and maintain the CAP.⁴ The CRBPA also provided the Secretary⁵ with the authority to execute contracts for CAP water.

¹An acre-foot (af) is a measure of volume equal to 325,851 gallons; it is approximately the amount of water required by an average family of five in one year (Arizona Department of Water Resources [ADWR] 2000).

²Since the estimated average annual yield of the Colorado River is less than 16.5 mafa there would be shortages if all the Colorado River water rights holders were utilizing their full entitlements.

³California is allotted 4.4 mafa and Nevada 300,000 afa.

⁴The CAP provides a delivery mechanism to utilize a significant portion of Arizona's 2.8 mafa entitlement within central Arizona.

⁵For purposes of this draft EIS, Reclamation serves as the delegated authority responsible for executing the Secretary's duties.

CAP water suppliers are a relatively low priority among other Lower Basin users. When less than 7.5 mafa is available, California receives its full 4.4 mafa entitlement, while Arizona and Nevada take reduced quantities. CAP also has a priority junior to most users in Arizona along the Colorado River. Based upon current trends regarding Arizona's use of Colorado River water along the mainstem, it is estimated that the long-term consumptive use along the mainstem in Arizona would be 1.3 mafa, leaving 1.5 mafa available for diversion by CAP in a normal year (ADWR 1993).

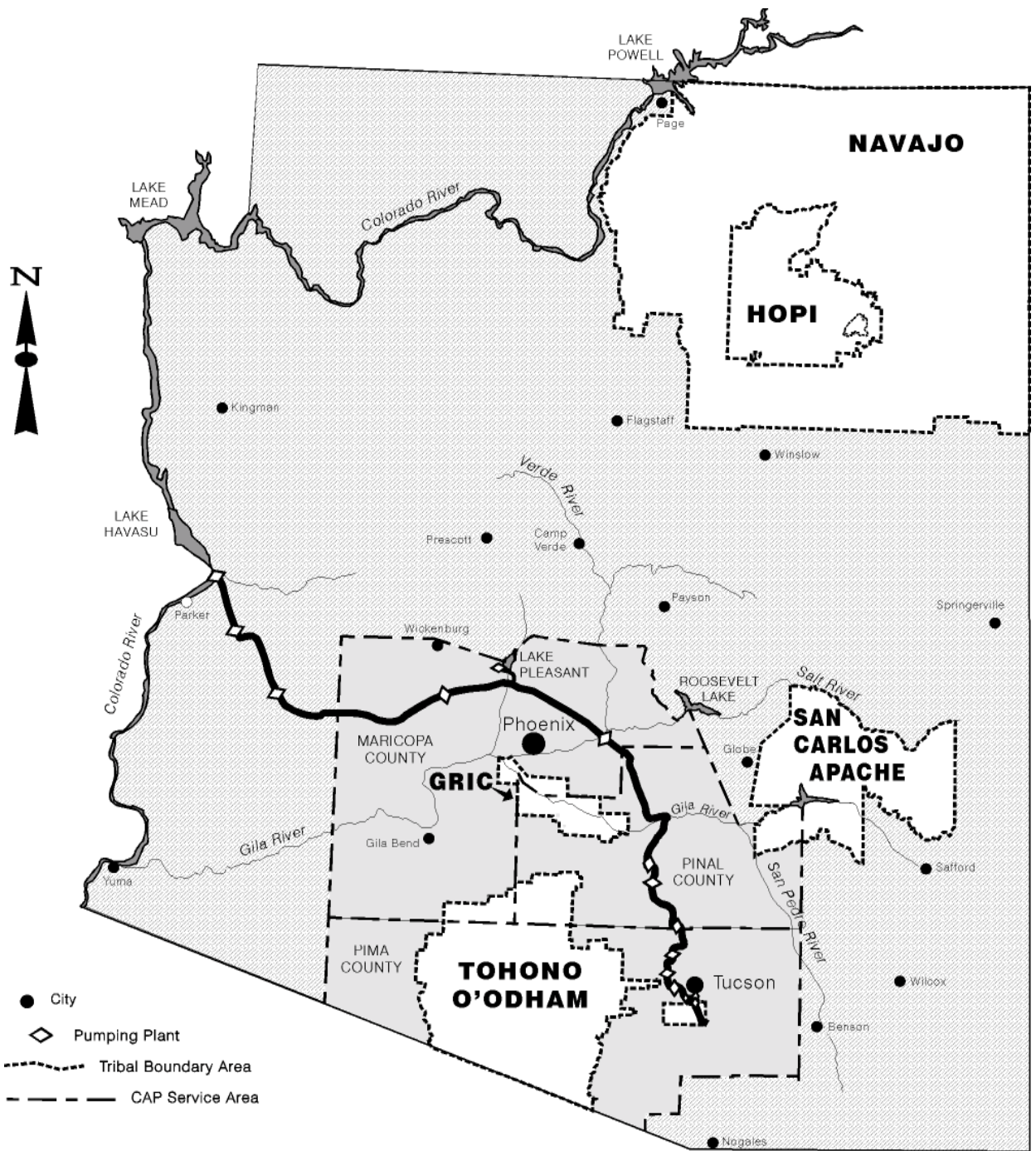
CAP, which began limited deliveries of water in 1985, consists of a system of pumping plants, aqueducts, dams, and reservoirs, which extend approximately 336 miles into central Arizona, as shown on Figure I-1. The CAP system has the physical capacity to deliver up to 2.2 maf of Colorado River water annually, although operational limitations may reduce the actual amount that can be delivered to a range of between 1.6 maf to 1.8 maf. The CAP system is operated and maintained by the Central Arizona Water Conservation District (CAWCD) under a 1987 Operation and Maintenance (O&M) transfer contract with Reclamation. A 1988 repayment contract between the Secretary and CAWCD establishes the mechanism by which CAWCD and the system's users are to repay the United States for reimbursable costs associated with construction of the CAP system. The distribution of the CAP water supply among the project beneficiaries can impact the distribution of the project costs attributable to the various project purposes. A more detailed discussion of the allocation of costs to the various project purposes and subsequent impacts to the beneficiaries is found in Appendix K.

Consistent with Federal reclamation laws, uses of CAP water are divided into three major sectors: municipal and industrial (M&I), non-Indian agriculture (NIA), and Indian. Originally conceived in the early part of last century as essentially an irrigation project, the CAP evolved to reflect the rapid urban growth in central Arizona and increased awareness of Indian water rights and needs. CAP now has a greater emphasis on water uses for M&I and Indian purposes.

I.B.2. Previous CAP Allocations and Current Contract Status

Following authorization of the CAP in 1968, Secretary Stewart Udall requested assistance from the State of Arizona in planning for the distribution of the CAP water. The allocation of CAP water for Indian use is a Federal responsibility reserved for the Secretary. The ADWR, and its predecessor agency, have the task of making recommendations to the Secretary for allocation of CAP water to non-Indian water users in Arizona.

The first proposed allocation of CAP water for Indian irrigation use, by Secretary Thomas Kleppe, was issued in April 1975 (40 Federal Register (FR) 17297). In October 1976, following preparation of an environmental assessment (EA) and a "Negative Determination of Environmental Impact," Secretary Kleppe made an allocation of CAP water for Indian irrigation use (41 FR 45883). This allocation was followed by recommendations from the State of Arizona for M&I allocations (in June 1977) and for NIA allocations (in August 1979). Studies were initiated to analyze the environmental impacts associated with the State's recommended non-Indian allocations. Before any action was taken on these allocations, however, Secretary Cecil Andrus proposed to modify and increase the CAP Indian allocations, due in part to an increased awareness of Tribal water needs and the possibility of using CAP water as a partial answer to litigation over Reservation water rights (45 FR 2938). In December 1980, following preparation of another EA on the proposed modified Indian allocations and a "Finding of No Significant Impact," Secretary Andrus made final allocations to 10



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Tribes, which were identified to receive a total of 309,828 af of CAP water annually (45 FR 81270). Nine out of the 10 Tribes signed CAP water service contracts in December 1980. In that same month, the State of Arizona and others filed suit in U. S. District Court to prevent implementation of the water allocations claiming inadequate NEPA compliance. The lawsuit was dismissed when Secretary Andrus agreed to prepare an EIS on CAP water allocations, due in large part to the potential length of the litigation process.

In early 1982, the State recommended a revised allocation for non-Indian supplies. Following preparation of a final EIS in 1982 (Reclamation 1982), Secretary James Watt published a Record of Decision (ROD) in the FR on March 24, 1983 (48 FR 12446) pursuant to the CRBPA. In that ROD, Secretary Watt identified the total amounts of CAP water to be allocated to each of the three major sectors, as well as the specific amounts or percentages to be allocated to each individual entity within those sectors, and the method by which priorities would be applied for delivery of CAP water during times when there were shortages of Colorado River water.

The 1983 ROD identified fixed volume allocations totaling 309,828 af annually (afa) for 10 Indian Tribes and communities. The ROD also identified fixed volume allocations totaling 638,823 afa for 85 non-Indian M&I entities. The CAP water supply remaining after Indian users' and M&I entities' allocations were made was divided among 23 NIA districts; their allocations were expressed as percentages that would be applied to the supply remaining after the other two sectors had ordered CAP water in any given year. The percentages were based upon each district's CAP-eligible acres after adjustment to reflect any available surface water supplies. The actual amount available to the NIA districts in a given year would depend upon the amount of water ordered and delivered to the other two sectors during that year. This remaining supply is often referred to as the "Ag Pool."

Before CAP water can be taken and used, an entity that receives a CAP water allocation from the Secretary is required to contract for the right to purchase and use the CAP water. In the case of non-Indian CAP allottees, these contracts are a three-party subcontract among the user, the Secretary, and CAWCD. In the case of Indian users, they are two-party contracts with the Secretary. Whether a three-party subcontract or a two-party contract, each contracting mechanism identifies the specific terms and conditions for delivery of CAP water.

The subcontracts and contracts include provisions regarding priority of delivery when there are shortages of Colorado River water. Essentially, both Indian users and M&I entities have priority over other water users. That means NIA CAP water use is to be reduced until exhausted before Indian and M&I water uses are reduced.

Following the 1983 ROD, the Secretary entered into contracts and subcontracts for the delivery and use of CAP water. All 309,828 afa of CAP water allocated to Indian Tribes and communities were put under contract with the 10 Indian Tribes and communities who signed contracts with the United States. The Secretary and CAWCD offered subcontracts to M&I allottees, and 63 M&I entities signed for 558,511 afa of the 638,823 afa allocated for M&I use. A total of 12 M&I entities either have declined or terminated CAP water subcontracts, resulting in 80,312 afa of M&I priority water remaining uncontracted. Of this amount, 14,665 afa allocated to the Phelps Dodge Corporation and 3,480 afa allocated to the City of Globe was assigned to the San Carlos (SC) Apache Tribe pursuant to the SC Apache Tribe Water Rights Settlement Act of 1992, resulting in 65,647 afa of other M&I priority water remaining uncontracted and available for reallocation. Of 23 NIA districts allocated percentages of the remaining CAP water supply, 10 districts signed CAP

subcontracts; 11 districts declined their allocations; and two districts have not yet entered into contracts (representing 70.7, 23.8 and 5.5 percent of the CAP NIA priority water supply, respectively).

These NIA contracts include a "take or pay" provision, which requires the NIA users to pay for their annual share of CAP water, whether or not it is used. At the time NIA users agreed to this provision, it was envisioned CAP water would be available at prices competitive with pumped groundwater, and NIA users anticipated there would be a demand for CAP water in excess of the available supply. The NIA subcontracts also included a provision that allowed a conversion right from agricultural to M&I supply (at one afa per acre, minus available surface supplies), to provide a supply of M&I priority water to those acres that were urbanized. The NIA priority water would be converted to M&I priority, and would be transferred to whatever water company or municipal water provider served the area in question.

Several actions have been taken since the Secretary's 1983 decision that changed the amounts of CAP water available to both the M&I and Indian water use sectors. The amount of water allocated for Tribal use has increased as a result of Indian water rights settlements⁶. These settlements are enumerated in Appendix B. As a result, 143,396 afa of CAP water have been made available to the Tribes resulting in a total of 453,224 afa of CAP water currently allocated for Indian use. In addition, with final implementation of the SC Apache Tribe Water Rights Settlement Act, the amount of water originally allocated for M&I use would be reduced by 18,145 afa. The 18,145 afa, which were allocated but not contracted to the City of Globe and the Phelps Dodge Corporation, would be allocated to the SC Apache Tribe. The amount of uncontracted M&I priority water, 65,647 afa, remains unchanged. Additional information is included in Appendix B.

As mentioned above, 10 NIA districts entered into subcontracts for a percentage of the CAP NIA priority water supply, leaving 29.3 percent of the Ag Pool uncontracted. In 1991, pursuant to the Salt River Pima-Maricopa Indian Community (SRPMIC) Water Rights Settlement Act of 1988 (PL 100-512), Reclamation prepared an EA on a proposed reallocation of this uncontracted NIA CAP water (Reclamation 1991). The Secretary published a Final Reallocation Decision on February 5, 1992 (57 FR 4470) that identified the process by which Reclamation would reallocate this remaining 29.3 percent of the NIA priority water supply.

The "take or pay" provision in the NIA subcontracts became effective when Reclamation declared the CAP nearly complete on October 1, 1993. This provision contributed substantially to the financial burden felt by NIA subcontractors. Commodity prices were also falling at this same time. In addition, the amount of water being used by the M&I and Indian sectors was a small percentage of the total CAP water supply available, thus resulting in a very large water supply for which the NIA districts were financially responsible. Two NIA subcontractors declared bankruptcy, one re-structured, and two relinquished their entitlements as part of Indian water rights settlements. Because of this situation, CAWCD entered into two-party letter agreements with all the NIA subcontractors in late 1993. In those letter agreements, each NIA district and CAWCD "mutually agreed to waive certain rights and obligations under the Water Service Subcontract." The letter agreements waived the "take-or-pay" provision of the three-party NIA CAP subcontracts and

⁶These settlements provide for resolution of Tribal claims to reserved water rights pursuant to the Winter's Doctrine. Under the Winter's Doctrine, upon creation of a Federal Reservation, there is an implicit reservation of the amount of water necessary to fulfill the purpose of the Reservation.

facilitated establishment of three "pools" of NIA water at subsidized prices, which would allow NIA districts to take CAP water rather than pump groundwater. (The United States is challenging provisions of these agreements for consistency with Reclamation law in ongoing litigation regarding operation and repayment of the CAP, and does not recognize the validity of the provisions of the two-party agreements^{7,8}. Nevertheless, these NIA districts are receiving CAP water from the Ag Pool pursuant to these excess water contracts on an annual basis and at a reduced cost from the original contract requirements.) The 1992 NIA reallocation process, which had already been initiated when these two-party letter agreements were signed, was put on indefinite hold.

Figure I-2 summarizes the changes that have occurred since the Secretary's original 1983 allocation.

I.C. PURPOSE AND NEED FOR THE PROPOSED ACTION

Reclamation is proposing modifications to previous CAP water allocation decisions. The purpose and need for the Federal action is to allocate remaining available CAP water in a manner that would facilitate the resolution of outstanding Indian water rights claims in the State of Arizona. Authority for this action is pursuant to the CRBPA.

The proposed allocation is taking place in the context of settlement negotiations concerning operation and repayment of the CAP and Indian water rights settlement negotiations. These negotiations are being conducted by the U. S. Department of the Interior and Department of Justice, with representatives of CAWCD, several Indian Tribes, ADWR, NIA districts, and several municipalities. The proposed action (or Settlement Alternative) identified in the draft EIS is an allocation of CAP water consistent with terms of the negotiated settlements currently under discussion with these entities. These settlements are discussed in more detail in Section I.E. of this Chapter, below. The draft EIS also analyzes three alternative allocations of remaining available CAP water. The Secretary could implement any one of these four action alternatives to achieve the purpose and need for the proposed action.

A final allocation of remaining available CAP water, and contract executions with the United States for delivery of that water, would provide a level of certainty to all entities regarding available future water supplies. This, in turn, would enable Arizona water users, Indian and non-Indian alike, to develop and implement the systems and infrastructure necessary to utilize those water supplies to meet future water demands and serve Tribal and community needs.

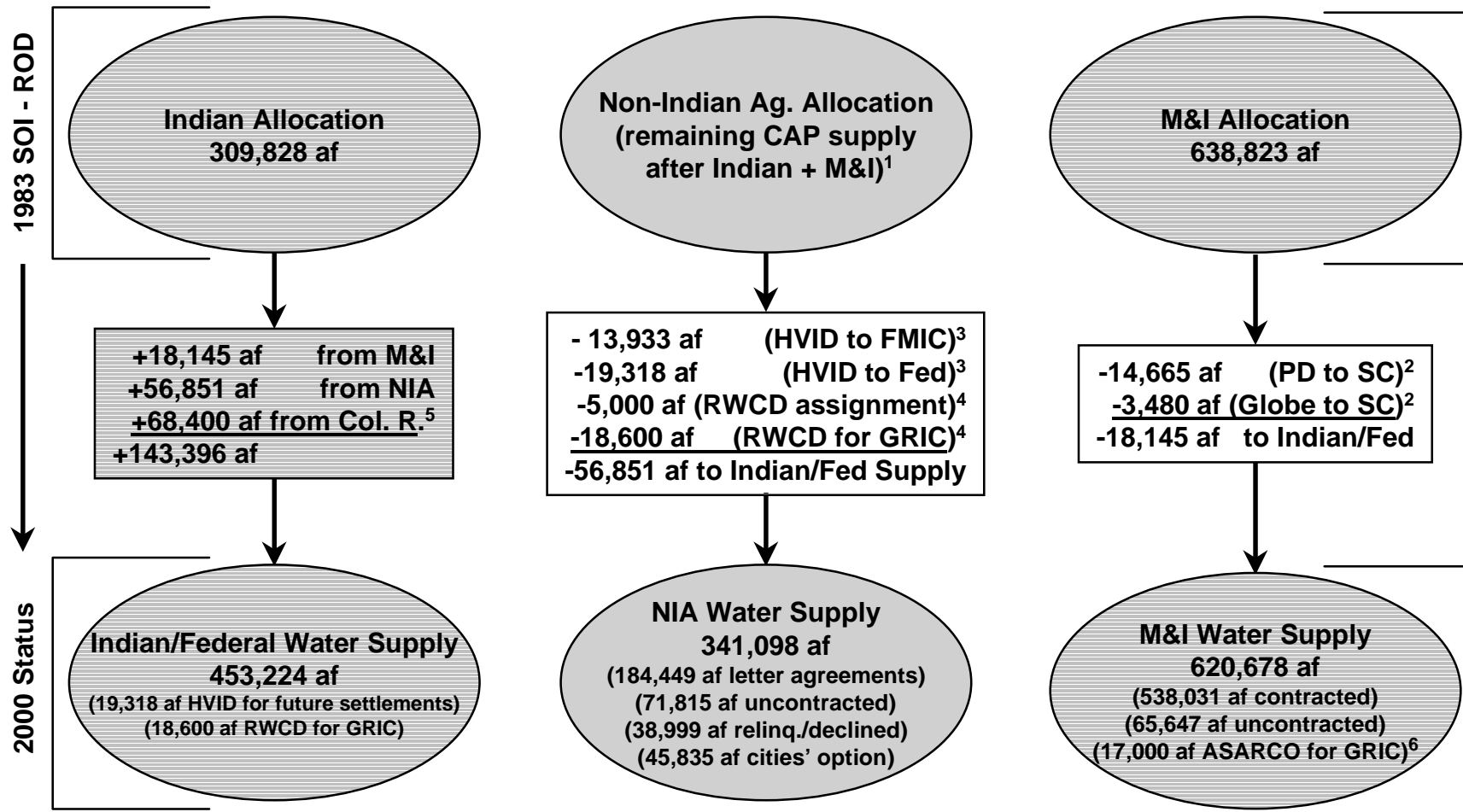
This EIS, when final, will serve as NEPA compliance to allow the Secretary to make a final overall allocation and enter into water service contracts and subcontracts. It is anticipated that at the conclusion of the NEPA process, the Secretary will prepare a ROD and offer and execute contracts pursuant to that ROD.

⁷When a user elects not to contract to receive all the water available to him/her under the allocation, or when a user breaches a contract that provides for delivery of water, his/her right to contract for that water devolves upon the Secretary. The Secretary may choose to terminate the contracts of those entities that have breached the provisions of existing water delivery subcontracts. In the event of such a termination, any CAP water allocation reverts to the Secretary for discretionary use and reallocation.

⁸ However, these issues have been addressed in the settlement stipulation, discussed in Chapter I.E.1. (see also Appendix O).



FIGURE I-2
CAP Allocation Draft EIS
HISTORY OF CURRENT CAP WATER SUPPLIES
(1983 Record of Decision to Present)



¹NIA allocations were defined as percentages of CAP supply remaining after Indian and M&I use. It is assumed that the NIA supply is approximately 341,098 af in 1999.

²Subject to implementation of the San Carlos Apache Tribe Water Rights Settlement Act of 1992.

³Pursuant to Fort McDowell Indian Community Water Rights Settlement Act of 1990.

⁴Assigned pursuant to 1988 SRPMIC settlement agreement and relinquished in the 1992 GRIC/RWCD agreement.

⁵Colorado River sources provided from Yuma Mesa Division in the 1984 Ak Chin Indian Community Settlement Act and from Wellton-Mohawk IDD in the 1988 SRPMIC Settlement Act.

⁶Agreement to assign 17,000 af from ASARCO to GRIC subject to SOI consent.

I.D. PROJECT LOCATION

The geographic area that would be affected by the proposed allocation generally includes the three-county area consisting of Maricopa, Pinal, and Pima Counties. Specific geographical areas that are outside the three-County area which may be affected by a particular action alternative are also included and described in Chapter III of this draft EIS. Figure I-1 shows the entire CAP service area.

I.E. RELATIONSHIP OF THIS PROPOSED ALLOCATION TO OTHER ACTIVITIES

Currently, negotiations are ongoing among several entities to resolve various water-related issues within the State of Arizona. The goal of these negotiations is to achieve a “global” settlement of Arizona water issues. These include, but are not limited to, settlement of Gila River Indian Community (GRIC) water rights, amendment of the Southern Arizona Water Rights Settlement Act of 1982 (Pub. L. 97-293) (SAWRSA), final settlement of San Carlos Apache Tribe (SC Apache Tribe) water rights, and reallocation of remaining available CAP water.

There are three principal settlements currently being negotiated that involve the proposed allocation of CAP water. Litigation is ongoing between the Secretary and CAWCD regarding operation and repayment of the CAP system (see I.E.1. below). There are also active settlement negotiations among several parties, including the Secretary, GRIC and several non-Indian water users, to develop a comprehensive settlement of GRIC's water rights claims in the General Adjudication of the Gila River. In addition, there is a potential for the Tohono O'odham Nation (TON) to receive additional CAP water, which would provide a designated source for water required to be delivered to TON by the Secretary pursuant to the SAWRSA. These settlement negotiations contemplate actions or decisions related to the proposed allocation of CAP water and contract execution. Where appropriate, those related actions or decisions have been incorporated into the draft EIS and included in the applicable analyses.

I.E.1. CAWCD

Negotiations toward settlement of issues related to a lawsuit between the Secretary and CAWCD (*CAWCD v. United States*) regarding operation and repayment of the CAP have continued over the past several years. Among other things, the issues include the status of the three-party CAP subcontracts with NIA districts and the amount of CAWCD's repayment obligation. Settlement of these issues involves the reallocation of a block of CAP water from the NIA sector to the Federal ledger for Indian use, thereby reducing the repayment obligation of CAWCD to the United States. This would also resolve the issue of the status of the NIA subcontracts, while providing a source of water for Indian water rights settlements. On May 9, 2000, the United States and CAWCD reached agreement on a stipulated settlement agreement which would both resolve and “stay” or suspend the active litigation of the lawsuit (Appendix O). The stipulation is contingent upon (i.e., will become final and effective) the global negotiated settlement of Arizona water issues mentioned above. According to the stipulation, various contingencies must be accomplished, in a manner acceptable to the Attorney General, the Secretary of the Interior, CAWCD and ADWR, by May 2003. Congressional action will be needed for some of the contingencies to be accomplished.

The Settlement Alternative would provide for an allocation of CAP water consistent with the stipulation, including its contingencies. In the absence of the global negotiated settlement, the United States would still be able to move forward with any one of the four action alternatives to achieve the purpose and need for the project.

I.E.2. Gila River Indian Community Water Rights Settlement

The GRIC and the United States on behalf of GRIC have claimed Federal reserved water rights of about 1.56 mafa in the Gila River General Stream Adjudication, filed by the United States on behalf of GRIC. Negotiations to resolve GRIC's water rights claims have occurred periodically over the past 20 years. The goal of the negotiations is a comprehensive settlement of GRIC's water rights claims in the General Adjudication of the Gila River. Current negotiations have been active for more than five years. Thus far, the parties to the negotiations have agreed to an average annual water budget of 653,500 af. Negotiations have focused on establishing surface, imported, and ground water supplies that would be available to GRIC, protecting these supplies, and providing a means to put these supplies to use. A substantial amount of this water would be CAP water.

Under settlement, the GRIC and the United States, on behalf of GRIC, would waive and release all water rights claims in the General Adjudication of the Gila River except those claims specifically reserved (i.e., potential claims against parties for excessive groundwater pumping) in return for the water supplies and other benefits secured through the settlement. In addition to providing GRIC with a total water budget of 653,500 afa the settlement is envisioned to also provide GRIC with a significant financial contribution to facilitate its ability to use the water.

Under the Settlement Alternative of this draft EIS, GRIC would receive an additional 102,000 afa of CAP water, which would greatly assist in satisfying GRIC's total water budget. Under the Non-Settlement Alternatives, additional allocations of CAP water would also be made to GRIC, ranging from 35,600 afa to 170,200 afa. These allocations would not be made in the context of a final water rights settlement, although they would be credited toward any future settlements or adjudicated water supply. If no settlement occurs, the GRIC, and the United States on its behalf, would be free to pursue resolution of its water rights claims to the Gila River through the Courts. The current uncertainty regarding available future water supplies affected by the General Adjudication of the Gila River would remain.

I.E.3. SAWRSA

SAWRSA authorized the settlement of water rights claims of the TON for the San Xavier and Schuk Toak Districts. The settlement provided 37,800 afa of CAP water to the two districts. In addition, the settlement authorized delivery of 23,000 afa of additional water supplies suitable for agricultural use in the San Xavier District, and 5,200 afa to the Schuk Toak District; however, the source of this additional 28,200 afa was not identified in SAWRSA. The source of this 28,200 afa is identified and made available as CAP water in all but one of the action alternatives included in this draft EIS.

I.F. NEPA CONSIDERATIONS

As previously discussed above, the 1982 EIS addressed potential environmental impacts associated with the Secretary's proposed allocation of CAP water to M&I users, NIA users and Indian Tribes

and communities (Reclamation 1982). In order to identify the potential environmental impacts, that EIS contained many assumptions related to, among other things, the availability of Colorado River water supplies for CAP, groundwater use, urban development and population growth, and users' plans for taking and using their CAP water allocations. The 1982 EIS included a description of each water user's preliminary plans for the delivery and use of CAP water and a general description of the anticipated resulting environmental impacts.

Following this approach for the current proposed allocation, it was again necessary to develop a detailed set of assumptions in order to describe and address potential environmental impacts associated with the currently proposed modification to previous CAP water allocations. For example, in order to analyze impacts to the NIA sector from a reallocation of CAP water from NIA to Indian use, assumptions had to be made regarding how much water would be available in the future for NIA use, and at what price. This involved additional assumptions regarding future M&I demand, Indian build-out schedules, demand from Central Arizona Groundwater Replenishment District (CAGRD)⁹ and the Arizona Water Banking Authority (AWBA)¹⁰. CAWCD pricing policies, and so on. Assumptions developed for this draft EIS that apply to all analyses are presented in Appendix A. Other assumptions specific to a particular analysis are explained where appropriate. The purpose of using these assumptions is to make an informed analysis of those future actions and impacts that are reasonably foreseeable at the time of this analysis. In developing the assumptions, an effort was made to predict what policy makers would do given a certain set of circumstances (that would exist under each alternative included in this draft EIS) based upon a thorough analysis of currently available information. Sensitivity was also given to avoid skewing the impacts in any of the three major water user sectors through the background assumptions. In particular, great care was taken in developing the assumptions for the No Action Alternative in an effort to provide a fair baseline against which the impacts of the other alternatives were evaluated.

The future may likely diverge from the assumptions made in this draft EIS, and it is entirely possible other actions will occur. While it is likely the future will not look exactly like any of the projections made in this document, the analyses conducted utilizing these assumptions are based on best available information and provide a reasonable basis upon which a relative comparison of environmental consequences among the alternatives can be made.

I.G. PUBLIC INVOLVEMENT/SCOPING PROCESS

One of the steps in preparing a draft EIS is "scoping." Scoping provides "an early and open process for determining the scope of issues to be addressed and for identifying the significant issues related to a proposed action" (40 CFR 1501.7). The scoping process provides the general public, local agencies, and affected Federal and state agencies the opportunity to provide input on key issues and concerns they believe should be evaluated in the EIS.

The objectives of scoping for the proposed allocation of CAP water included:

- ◆ Identify significant issues related to the allocation of CAP water;

⁹ The CAGRD replenishes groundwater pumped by district members in excess of their ADWR groundwater allowance. The district replenishes through groundwater recharge of CAP or other available surface water.

¹⁰ The AWBA recharges currently unused CAP water to protect M&I entities from shortage, to support Indian water rights settlements, and to protect Arizona communities that use Colorado River water outside of CAP, from shortage.

- ◆ Determine the range of alternatives to be evaluated;
- ◆ Identify environmental review and consultation requirements;
- ◆ Define environmental analysis process and technical studies necessary to adequately address the impacts of the project;
- ◆ Identify the interested and affected public; and
- ◆ Provide information to the public regarding the project.

To achieve the scoping objectives identified above, two notices were published in the FR regarding the proposed allocation of CAP water. The first notice was published on July 30, 1999 (64 FR 41456) and indicated Reclamation's intent to initiate the NEPA process to assist in developing proposed modifications to previous CAP water allocations. The second notice, a Notice of Intent (NOI) to prepare a draft EIS, was published in the FR on August 26, 1999 (64 FR 46720). The NOI also announced that three scoping meetings would be conducted in September 1999 to receive public input on issues to be addressed in the draft EIS.

A memorandum regarding the public scoping meetings and information on the proposed action was mailed to 190 Federal, state and local agencies, organizations and/or interested individuals. Reclamation also issued a press release on August 26, 1999, regarding the scoping meetings. This release was made available through mailings to over 400 agencies, media contacts and interested organizations. The scoping meetings were held on September 14, 15, and 16, 1999, at the time and locations listed below. In addition to the announcements contained in the FR, advertisements were placed in 16 local newspapers statewide.

- ◆ September 14, 1999: 1:00 p.m. National Young Women's Christian Association Leadership Development Center, Phoenix, Arizona;
- ◆ September 15, 1999: 6:30 p.m. Francisco Grande Resort Ballroom, Casa Grande, Arizona; and
- ◆ September 16, 1999: 1:00 p.m. Tucson Community Center, Tucson, Arizona.

Approximately 47 people attended the Phoenix area meeting, 185 people attended the Casa Grande area meeting, and 29 people attended the Tucson area meeting. A total of 42 oral comments were received during the scoping meetings. Transcripts of the meetings were made part of the public record of this NEPA process for the proposed action. Interested or affected individuals, organizations, and agencies were also encouraged to submit written comments to Reclamation by September 27, 1999. Reclamation received 56 letters during the comment periods (16 during the comment period for the first notice and the remaining 40 during the comment period for the second notice).

Reclamation has thoroughly reviewed and considered all of the comments received during the scoping period. A complete set of the written comments received as well as the meeting transcripts were made part of the public record for the project and are available for review at Reclamation's Phoenix Area Office and Tucson Field Office. The principal comments addressing environmental concerns that have been included in the impact analysis performed and which are described in the draft EIS, include the following:

- ◆ Impacts to groundwater levels and groundwater management in central Arizona, including the ability of entities to comply with Arizona's Groundwater Management Act;
- ◆ Impacts to agriculture and its viability, as a result of allocation of CAP water and the associated subsequent transition to groundwater pumping;
- ◆ Potential impacts from retirement of irrigated farmlands, such as air quality, weed control, and subsidence.
- ◆ Socioeconomic impacts in Pinal County resulting from the loss of agriculture and the loss of CAP M&I conversion rights, including impacts due to the loss of the County's tax base, impacts to associated businesses, and impacts from loss of a rural lifestyle;
- ◆ Impacts from developing additional irrigated acreage on Indian lands;
- ◆ Impacts on NIA districts under alternatives that lack debt and Reclamation Reform Act (RRA) relief;
- ◆ Impacts to central Arizona M&I users under alternatives where uncontracted M&I priority water is used for Federal purposes;
- ◆ Impacts to the Colorado River mainstem; and
- ◆ Changes regarding distribution of CAP water shortages and surpluses under the various alternatives and associated impacts on CAP water users.

As a result of the scoping process, the alternatives described in the initial scoping documents were revised and further refined. A scoping report was prepared that summarized the major comments received during the public scoping period and explained how the alternatives had been revised and further refined. In November 1999, notice of the availability of the scoping report (hard copy by request or on Reclamation's internet website) was sent out to the same entities who received the original scoping memorandum, and to interested parties who had requested to be added to the mailing list. The scoping report is included as Appendix F to this draft EIS.

A complete description of each alternative being considered is included in Chapter II.